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FORT WAYNE MILK MARKET NEWS

Federal Milk Order No. 32
U. S. Department of Agriculture
Dairy Division
Agricultural Marketing Service

Market Administrator
507 Strauss Building
809-11 S. Calhoun St.
Fort Wayne 2, Indiana

FEB 20 1957

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. 1 No. 2

February, 1957

JANUARY UNIFORM PRICE \$4.16

A uniform price of \$4.16 per cwt. was computed for 3.5% milk delivered by producers to handlers subject to the Fort Wayne Milk Order. For milk of a higher or lower test this price will be adjusted by a butterfat differential of 6.8 cents for each one-tenth of one percent that individual tests vary above or below the 3.5 percent standard. This minimum price is subject to the applicable marketing service deduction, authorized hauling charges and transportation tax. The computation of this blend price is shown on page 4 and the class prices on page 3.

The \$4.16 price for January 1957 is 28 cents above the January price of a year ago. Seasonally it is 61 cents below the December 1956 price.

PRODUCTION AND UTILIZATION

Dairy farmers shipped 7.8 million pounds of milk to the Fort Wayne market during January 1957. This is 1.6 million pounds of 18% less milk than a year ago. 5.4 million pounds, 71.7% of the total milk production, was utilized as Class I milk (fluid milk and cream products) by the Fort Wayne handlers.

Detailed information on the utilization and classification of all milk receipts required to be reported by handlers is shown in the table on page 2.

Average production per farm per day was 29¼ pounds for January 1957 as compared with 298 pounds a year ago, or a decrease of slightly over 1%. Producers on the market for January 1957 numbered 853, which is 173 less than a year ago.

STATISTICAL SUMMARY FOR 1956

A statistical summary of Fort Wayne milk pounds and prices for 1956 may be secured from this office upon request.

FEBRUARY, 1957, SUPPLY-DEMAND ADJUSTMENT - Plus 10¢

The gross volume of Class I utilization for the months of December 1956 and January 1957, of 13,110,764 pounds divided by the total volume of producer receipts for these months of 15,073,028 pounds produced a Class I utilization percentage of 87%. The standard utilization percentage for February is 82%. This difference of +5% is the net utilization percentage for February. The supply demand adjustment for February, 1957, based on the plus 3 or plus 4 bracket is +\$0.10. The regular class differential is \$1.15, therefore the total difference between the February Class I and Class II price will be \$1.25.

BUTTERFAT SAMPLING

Activities of the market administrator's butterfat check testers during January included 1,646 tests of composites, fresh milk samples and handler's finished products.

UTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

| | January 1957 Reported | | January 1956 Audited | |
|---|--------------------------|----------------|-------------------------|----------------|
| | Milk Pounds | BF Pounds | Milk Pounds | BF Pounds |
| <u>CLASS I MILK</u> | | | | |
| Fluid Milk | 5,841,465 | 206,249 | 5,883,504 | 207,323 |
| Fortified Skim Milk | 177,826 | 3,056 | 159,956 | 1,861 |
| Skim Milk | 80,385 | 136 | 42,385 | 56 |
| Buttermilk | 74,329 | 746 | 84,017 | 836 |
| Flavored Milk/Drink | 242,221 | 4,881 | 310,891 | 5,772 |
| Cream Mixtures | 105,426 | 12,828 | 92,875 | 11,274 |
| Light Cream | 31,269 | 6,003 | 39,332 | 7,890 |
| Heavy Cream | 10,624 | 3,803 | 12,794 | 4,703 |
| Sour Cream | 4,323 | 800 | 2,335 | 434 |
| Ice Cream Mix in Bottles | 1,320 | 144 | -0- | -0- |
| Egg Nog | 208 | 16 | 340 | 29 |
| Sub Totals | 6,569,396 | 238,662 | 6,628,429 | 240,178 |
| Plus Unaccounted For | 7,413 | 1,300 | 19,797 | 2,191 |
| Gross Total Class I Milk | 6,576,809 | 239,962 | 6,648,226 | 242,369 |
| Less Other Source Receipts | 994,579 | 33,223 | 1,155,092 | 38,553 |
| Less Overages | 1,303 | -0- | -0- | -0- |
| <u>CLASS I PRODUCER MILK IN POOL</u> | <u>5,580,927</u> | <u>206,739</u> | <u>5,493,134</u> | <u>203,816</u> |
| <u>CLASS II MILK</u> | | | | |
| Used by Pool Plants in the Manufacture of Class II Items | 3,932,786 | 70,629 | 3,907,929 | 94,878 |
| Sales to Non-Pool Manufacturing Plants | 1,303,038 | 148,323 | 2,622,949 | 170,347 |
| Inventory Variation | + 98,159 | + 49 | + 249,499 | + 13,300 |
| Dumped or Livestock Feed | 9,280 | 123 | 11,748 | 142 |
| Class II Shrinkage | 38,689 | 7,384 | 117,580 | 9,071 |
| Gross Total Class II Milk | 5,381,952 | 226,508 | 6,909,705 | 287,738 |
| Less Other Source Receipts | 3,181,544 | 124,108 | 2,914,666 | 117,116 |
| Less Overages | 2,252 | 61 | 13,270 | -0- |
| <u>CLASS II PRODUCER MILK IN POOL</u> | <u>2,198,156</u> | <u>102,339</u> | <u>3,981,769</u> | <u>170,622</u> |
| <u>TOTAL PRODUCER MILK IN BOTH CLASSES</u> | <u>7,779,083</u> | <u>309,078</u> | <u>9,474,903</u> | <u>374,438</u> |

UTILIZATION PERCENTAGES

| | January 1957 | | January 1956 | |
|--|--------------|-------|--------------|-------|
| | Milk | B. F. | Milk | B. F. |
| Producer Milk Utilized in Class I | 71.74 | 66.89 | 57.98 | 54.43 |
| Other Source Milk Utilized in Class I | 23.82 | 21.12 | 28.38 | 24.77 |
| Producer Milk Utilized in Class II | 28.26 | 33.11 | 42.02 | 45.57 |
| Other Source Milk Utilized in Class II | 76.18 | 78.88 | 71.62 | 75.23 |

AVERAGE TESTS

| | | |
|--|-------|-------|
| Average Test of Producer Milk Class I | 3.704 | 3.710 |
| Average Test of Producer Milk Class II | 4.656 | 4.285 |
| Average Test of Total Producer Milk | 3.973 | 3.952 |

STATISTICAL SUMMARY FOR JANUARY, 1957

| Order No. 32, as Amended | January 1957 Reported | December 1956 Reported | January 1956 Audited | January 1955 Audited |
|---|-----------------------------|------------------------------|----------------------------|----------------------------|
| Gross: Class I Milk (Lbs.) | 6,576,809 | 6,533,955 | 6,648,226 | 6,464,850 |
| Class II Milk | 5,381,952 | 4,784,004 | 6,909,705 | 5,885,866 |
| Total Gross Utilization | 11,958,761 | 11,317,959 | 13,557,931 | 12,350,716 |
| Daily Class I Milk (Lbs.) | | | | |
| In Marketing Area | 173,164 | 169,824 1/ | 168,367 | 160,240 |
| Outside Marketing Area | 38,752 | 40,618 1/ | 45,453 | 47,963 |
| Unaccounted For | 239 | 331 | 639 | 341 |
| Total Daily Class I Milk | 212,155 | 210,773 | 214,459 | 208,544 |
| Daily Class I Milk Compared with: | | + 0.7% | - 1.1% | + 1.7% |
| Received from: | | | | |
| Producers (Lbs.) Class I | 5,580,927 | 5,554,958 | 5,493,134 | 5,514,486 |
| Class II | 2,198,156 | 1,733,937 | 3,981,769 | 2,689,374 |
| Total | 7,779,083 | 7,293,945 | 9,474,903 | 8,233,860 |
| Other Sources | 4,176,123 | 4,005,289 | 4,069,758 | 4,108,247 |
| Overages | 3,555 | 18,725 | 13,270 | 8,609 |
| Total Receipts | 11,958,761 | 11,317,959 | 13,557,931 | 12,350,716 |
| Daily Production | 250,938 | 235,289 | 305,642 | 265,608 |
| Daily Production Compared With: | | + 6.7% | - 17.9% | - 5.5% |
| Percent Gross Class I Milk Lbs. are to Producer Milk | 84.5% | 89.6% | 70.2% | 78.5% |
| Number of Producers | 853 | 844 | 1,026 | 1,137 |
| Daily Pounds of Milk Delivered per Farm | 294 | 279 | 298 | 234 |
| Producers' Average Butterfat Test: | 3.97% | 4.01% | 3.95% | 3.85% |
| Class I Price | \$4.510 | \$5.159 | \$4.394 | \$3.810 |
| Class II Price | 3.260 | 3.419 | 3.144 | 3.040 |
| Uniform Price, F. O. B. Fort Wayne | 4.16 | 4.77 | 3.88 | 3.60 |
| Handler Butterfat Differentials: | | | | |
| Class I | \$.077 | \$.078 | \$.075 | \$.075 |
| Class II | .068 | .069 | .066 | .066 |
| Producer Butterfat Differentials: | \$.068 | \$.069 | \$.066 | \$.066 |
| Value of Local Production | \$349,718 | \$373,435 | \$396,254 | \$313,299 |
| Value of Production per Farm | 410 | 442 | 386 | 276 |
| Non-Fat Dried Milk Solids Price | \$.1428 | \$.1427 | \$.1443 | \$.1473 |
| Cheddar Cheese Price | .3456 | .3456 | .3306 | .3310 |
| 92-Score Butter Price, Chicago | .5939 | .5993 | .5738 | .5737 |
| Mft. Pay Price (4 plants) | 3.260 | 3.419 | 3.144 | 3.038 |
| Butter-Cheese Formula Price | 2.835 | 2.856 | 2.733 | 2.733 |
| Butter-Skim Powder Formula Price | 3.088 | 3.110 | 3.011 | 3.040 |

1/ Revised

All prices quoted are for 3.5% milk.

FEDERAL MILK MARKET ADMINISTRATOR
FORT WAYNE INDIANA MARKETING AREA

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United States Secretary
of Agriculture
Order No. 32, as Amended

507 Strauss Building
809-11 S. Calhoun Street
Fort Wayne 2, Indiana

ANNOUNCEMENT AND COMPUTATION OF UNIFORM PRICE FOR JANUARY, 1957
(Based on Reports of 10 Handlers)

Uniform Price - \$4.16 /Cwt., for 3.5% Milk

ALLOCATION AND VALUE OF PRODUCER MILK

| | <u>POUNDS</u> | <u>VALUE CWT.</u> | <u>TOTAL VALUE</u> |
|-------------------------------------|------------------|-------------------|---------------------|
| Class I Butterfat | 206,739 | \$78.815 | \$162,941.34 |
| Skim | <u>5,374,188</u> | 1.815 | <u>97,541.53</u> |
| Product | 5,580,927 | \$ 4.667 | \$ 260,482.87 |
| Class II Butterfat | 102,339 | \$68.880 | \$ 70,491.10 |
| Skim | <u>2,095,817</u> | .980 | <u>18,443.19</u> |
| Product | <u>2,198,156</u> | \$ 4.046 | \$ 88,934.29 |
| Total Producer Deliveries Pooled | 7,779,083 | \$ 4.492 | \$349,417.16 |
| Add: Overage Value | | + .001 | 84.95 |
| Add: Other Source Milk in Class | | | |
| I Assessment | | + .003 | 215.73 |
| Total Value of Pooled Milk | | \$ 4.496 | \$349,717.84 |
| Subtract: Butterfat Adjustment | | | |
| to 3.5% Milk | | - .322 | 25,030.86 |
| Add: Cash Balance at February | | | |
| 8, 1957 | | + .029 | 2,289.22 |
| Subtract: Reserve (between 4¢ & 5¢) | | - .043 | <u>3,366.34</u> |
| Announced Uniform Price - 3.5% Milk | | <u>\$ 4.16</u> | <u>\$323,609.86</u> |

IMPORTANT: The announced uniform price of \$4.16 cwt., is subject to a butterfat differential of \$.068 cwt., for each 1/10 of 1% butterfat content variance from 3.5%. This price is subject to the applicable marketing service deduction together with the authorized hauling charges and the 3% transportation tax.

PRODUCER UNIFORM PRICES AT BUTTERFAT TEST FOR JANUARY, 1957
(F. O. B. Fort Wayne, Indiana)

| <u>Test</u> | <u>Price</u> | <u>Test</u> | <u>Price</u> | <u>Test</u> | <u>Price</u> | <u>Test</u> | <u>Price</u> |
|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|
| 3.25 | \$3.990 | 3.75 | \$4.330 | 4.35 | \$4.738 | 4.95 | \$5.146 |
| 3.30 | 4.024 | 3.80 | 4.364 | 4.40 | 4.772 | 5.00 | 5.180 |
| 3.35 | 4.058 | 3.85 | 4.398 | 4.45 | 4.806 | 5.05 | 5.214 |
| 3.40 | 4.092 | 3.90 | 4.432 | 4.50 | 4.840 | 5.10 | 5.248 |
| 3.45 | 4.126 | 3.95 | 4.466 | 4.55 | 4.874 | 5.15 | 5.282 |
| | | 4.00 | 4.500 | 4.60 | 4.908 | 5.20 | 5.316 |
| <u>3.50</u> | <u>4.16</u> | 4.05 | 4.534 | 4.65 | 4.942 | 5.25 | 5.350 |
| | | 4.10 | 4.568 | 4.70 | 4.976 | 5.30 | 5.384 |
| 3.55 | 4.194 | 4.15 | 4.602 | 4.75 | 5.010 | 5.35 | 5.418 |
| 3.60 | 4.228 | 4.20 | 4.636 | 4.80 | 5.044 | 5.40 | 5.452 |
| 3.65 | 4.262 | 4.25 | 4.670 | 4.85 | 5.078 | 5.45 | 5.486 |
| <u>3.70</u> | <u>4.296</u> | 4.30 | 4.704 | 4.90 | 5.112 | 5.50 | 5.520 |

February 8, 1957

R. J. Connolly
Market Administrator

